



Date: December 3, 2007

In reply refer to: Advisory-1201

Subject: Sales, Gifts, and Gatherings

To: All OCFO Employees

The following points to remember are provided to assist you in making the appropriate ethical decisions during this period of traditional holiday preparations/celebrations and throughout the year.

## **Sales**

Employees are prohibited from: canvassing for sales, or selling any items (including but not limited to candy and other items for schools or charities; kitchenware or other home furnishings, paper products; cosmetic products; or any other items whatsoever) in person or by distributing or posting literature, advertising matter, or any other graphic matter, in or on Government-owned or leased property, or property occupied by the Department

## **Gifts between Employees**

Supervisors and managers must guard against the appearance of favoritism, even though regulations state that there are no prohibitions and restrictions on gifts between peers or from superiors to subordinates. Although supervisors and managers are generally prohibited from accepting gifts from subordinates, the regulations provide for a number of exceptions. For example, subordinates may:

- Share expenses for food and refreshments for an office celebration;
- Provide refreshments to be shared in the office among the staff;
- Offer traditional levels of hospitality in their personal residence. Typical examples include hosting a holiday party or bringing a gift, such as wine and/or flowers, to a dinner party;
- Give items (never cash) with an aggregate fair market value of \$10 or less on an occasional basis in observance of those occasions when gifts are traditionally given such as birthdays, Bosses' Day, or other annually occurring holidays.
- Under special exceptions, give suitable gifts in recognition of infrequently occurring occasions of personal significance (e.g., marriage, illness, or the birth or adoption of a child) or occasions that end a subordinate-official superior relationship (e.g., retirement, resignation, or transfer.)

## **Gifts from Outside Sources**

An employee shall not solicit a gift from a prohibited source<sup>1</sup> or use his or her position as a basis to solicit a gift from any source. Generally, unsolicited gifts voluntarily offered from prohibited sources or because of the position held by the recipient are also prohibited. The regulations provide that employees may, however, accept:

- Greeting cards and trinkets of little intrinsic value (such as promotional items);
- Gifts valued at \$20.00 or less on a single occasion and not aggregating more than \$50.00 per annum from the same source<sup>2</sup> if the acceptance does not present the reality or appearance that the gift is in response to an official act benefiting the giver;
- Gifts based upon a family relationship or close personal relationship (Particular care should be exercised to evaluate and determine who actually paid for the gift and whether the history and nature of the relationship really justifies a particular gift.)

## **Attendance at Outside Holiday Parties and Receptions**

Holiday season hospitality offered by prohibited sources is governed by the same general rule as is applied to gifts, with the following few exceptions:

- The value of refreshments (provided at an “open-house” type reception or “widely attended” gathering) does not breach the \$20 per occurrence and \$50 annual caps.
- The event is an open-house type of reception-free to a broad class of individuals, such as all government employees;
- The reception is a “widely attended” gathering attended by a large and diverse group of persons and your attendance is cleared with your Agency Ethics Advisor;
- Your attendance is to accompany your spouse, whose invitation stems from the spouse’s activities and is unrelated to your USDA position; or

The basis of your invitation is clearly unrelated to your USDA position. For example, a holiday party hosted by a former employer.

## **Office Parties**

There are few explicit rules governing office parties. Goodwill moderated by common sense and concern for public perception should rule. However, please remember:

- Do not use appropriated funds for refreshments, and do not solicit refreshments, door prizes or any other items of value from outside sources.
- Granting administrative leave for the duration of a duty-hours event does not mean that overtime is to be afforded for an after-duty-hours event.

The above are the basic rules governing sales, gifts, and gatherings. Therefore, if you have questions or encounter situations not specifically covered by this memorandum, please contact the OCFO Ethics Office at 504-426-0370. Additionally, employees may take advantage of ethics training modules related to the aforementioned and other ethics standards at <http://www.aglearn.usda.gov>.

A handwritten signature in black ink that reads "Wanda C Martin". The signature is written in a cursive, flowing style.

WANDA C. MARTIN  
OCFO Ethics Advisor

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<sup>1</sup> A “prohibited source” is any person, company, or organization that is seeking official action from your agency; has business with your agency; seeks to do business with your agency; conducts operations regulated by your agency; seeks to influence your agency's policies or regulations; has interests that may be affected by your official duties; or, is an organization in which a majority of its members are prohibited sources.

<sup>2</sup> Under the gift rules, a contractor and an employee of the contractor are considered the “same source.”